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PROBABLE DEVELOPMENTS IN EAST EUROPE AND IMPLICATIONS FOR SOVIET POLICY

Submitted by the

DIRECTOR OF CENTRAL INTELLIGENCE

The following intelligence organizations participated in the preparation of this estimate: The Central Intelligence Agency and the intelligence organizations of the Departments of State, the Army, the Navy, the Air Force, and The Joint Staff.

Concurred in by the

INTELLIGENCE ADVISORY COMMITTEE

on 30 October 1956. Concurring were the Special Assistant, Intelligence, Department of State; the Assistant Chief of Staff, Intelligence, Department of the Army; the Director of Naval Intelligence; the Director of Intelligence, USAF; and the Deputy Director for Intelligence, The Joint Staff. The Atomic Energy Commission Representative to the IAC, and the Assistant Director, Federal Bureau of Investigation, abstained, the subject being outside of their jurisdiction.

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PROBABLE DEVELOPMENTS IN EAST EUROPE AND IMPLICATIONS FOR SOVIET POLICY

I. PROBABLE DEVELOPMENTS IN THE SATELLITES

1. Events in Poland and Hungary have demonstrated the strength and vitality of anti-Soviet sentiments in these Satellites. Particularly in Hungary, there have been manifestations of strong anti-Communist sentiment as well. The Soviet strategic position in Eastern Europe has been weakened. Soviet policy is now confronted with serious dilemmas: (a) the need to make some accommodation with the increasing pressures of nationalism in the Satellites without losing the essential minimum of control over them; (b) the difficulty of using Soviet armed might to put down nationalist and anti-Communist revolt in the face of world opinion.

Poland

2. A new Communist regime, considerably more independent of Moscow than the previous one, has been established in Poland, with reluctant Soviet acquiescence. This regime is pledged to maintain the alliance with the USSR, including the retention of Soviet forces in Poland as long as NATO forces remain in Germany, but reserving the right to choose whether or not Soviet specialists and military advisors will remain in the Polish army. It is also pledged to introduce certain democratic procedures (presumably compatible with party control), to stop coercive collectivization, and to raise standards of living.

3. The stability of the Gomulka regime rests on its ability to strike a balance between popular Polish aspirations for independence and economic improvement, on the one hand, and the minimum requirements of the USSR with respect both to the maintenance of the Communist system and to Soviet military security, on the other. Developments in Hungary may make a middle road course difficult for Gomulka.

Hungary

4. In Hungary concessions were made so slowly and reluctantly as to intensify rather than satisfy the pressures for change. The regime of the Communist Imre Nagy, once purged from the party for deviationism and only recently restored to party membership, took over with the outbreak of open revolt and the employment of Soviet forces. Nagy promised drastic reforms and announced a government which included non-Communists. The Hungarian army does not appear to have been employed on a large scale, and its allegiance in the struggle is unclear. There have been widespread desertions to the rebels, particularly in the west, and the rebels are in possession of some tanks in other areas; but at least elements of two Hungarian divisions are known to have participated in the repression at the outset.

5. It is unlikely that any Hungarian government will be able to reach a compromise between Soviet security requirements and Hungarian nationalist sentiment. Certain rebel groups appear willing to accept Nagy temporarily and it seems possible that he can gradually establish control if he can reach an accommodation with the rebels with respect to their principal demands: abolition of the secret police, complete withdrawal of Soviet troops from the country, and changes in the composition of the government. If the rebels refuse to make an accommodation with Nagy, the Soviet Union will be faced with the alternatives of risking the development of a non-Communist and independent Hungary or of intervening with large scale military forces to take over the country by force.

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Other Satellites

6. Signs of nationalistic ferment were seen during the spring in Czechoslovakia. Beginning late last year, a number of non-Communist politicians were released from prison in Czechoslovakia, Rumania, and Bulgaria; in the spring a number of prominent Stalin purge victims in Bulgaria and Czechoslovakia were cleared of Titoist charges; and conciliatory personnel changes were made, particularly in the Czech defense ministry and the Rumanian police apparatus. But there have been no challenges to Soviet influence by the governments of those Satellites, and few indications of sharp divisions within the local parties. However, in the absence of a Soviet return to a policy of repression, a more autonomous and nationally-oriented regime will probably be evolved for Czechoslovakia and possibly Rumania and Bulgaria. This likelihood would be increased if the Hungarian rebels win most of their demands. Albania, on the other hand, is less likely to press vigorously for independence.

7. East Germany is a special case. Regardless of East German desires, the USSR will almost certainly not tolerate any substantial weakening of controls or the introduction of effective nationalist influence into the government. The USSR regards East Germany as vitally important to Soviet security and maintains a garrison of 22 line divisions there. Moreover, fear among the Poles and Czechs of a reunified Germany with irredentist claims is a factor serving to persuade them of the need to cooperate with the USSR and to prevent them from supporting an East German independence movement.

Economic Considerations

8. Longstanding economic grievances continue to be an important factor behind unrest in the Satellites. Reduced use of repressive measures and an increased candor in discussing economic problems have recently encouraged more overt expression of discontent. In an effort to alleviate the situation, the USSR has recently negotiated modest aid agreements with Poland, Hungary, East Germany, and Bulgaria.

9. The Polish and Hungarian governments will almost certainly attempt to lessen their economic dependence on the USSR, by increasing trade with the West, and probably also by seeking economic assistance, especially in the form of credits.

10. The most serious immediate problem for East Europe may be the fuel shortage which will probably result from underfulfillments in the Polish, Czech, and Hungarian coal industries. A severe winter would increase fuel demands and might freeze up East German open pit operations, causing serious shortages which the USSR, with its own coal difficulties, might not be able to alleviate. The bumper Soviet harvest could compensate for the poor Satellite crop of this fall and assure food supplies.

II. IMPLICATIONS FOR SOVIET POLICY

11. We believe that the Hungarian rebellion came as a surprise to the Soviet leadership. On the basis of the evidence presently available, Soviet policy through the Polish and Hungarian crises appears to have been vacillating. It is too early to be confident on this matter, but we believe that Soviet leadership may be in a state of confusion, and until basic decisions are made, may be unable to conduct policy with sureness of touch. A crisis in Western relationships over the Middle East might make Soviet leaders feel that they had greater freedom of action in the Satellite area.

12. There has for some time been difference of opinion among Soviet leaders about the post-Stalin policy of seeking to reduce apathy at home, disaffection in the Satellites, and distrust in the non-Communist world. Soviet confidence in this policy, generated by gains in morale at home and an improved position in international relations, must now have been shaken by the need to make concessions in Poland and especially by the events in Hungary. It is possible that the Hungarian rebellion will precipitate changes in the composition or structure of the Soviet leadership. If the Hungarian rebels are able to achieve a substantial political victory, pressures for policy changes will almost certainly make the position of the Khrushchev leadership increas-

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ingly difficult. The position of advocates of a harder line may be strengthened. Changes in the leadership would be even more likely if the professional military under Zhukov insist that basic Soviet security is being jeopardized by current policies.

Domestic and Foreign Policy

13. Irrespective of any action which Soviet leaders may feel forced to take in Hungary, it is unlikely that they will wish drastically to reverse the course of domestic relaxation which was undertaken largely for pressing internal considerations and has significantly improved party and popular morale. It is also unlikely that Soviet leaders will abandon the effort to woo the uncommitted areas of the world and to weaken Western alliances. Soviet armed action in the Hungarian crisis will have an adverse effect on the credibility of the USSR's propaganda exploitation of anticolonial movements, but the ultimate effect in this area, as well as on the attitudes of the Yugoslav and Chinese Communists promoters of Satellite autonomy, will be determined more by future Soviet policy than by the present emergency action.

Policy Toward the Satellites

14. Evidence at present does not permit an estimate of whether or not the USSR will occupy Hungary with additional military force sufficient to quell the rebellion, in the event that present measures to establish control are unsuccessful. Unless it does so, however, we believe it unlikely that the USSR would find it feasible to impose for any long period a Stalinist system of rigid police and ideological controls over the Satellites. For the present, the USSR will probably endeavor to prevent further outbreaks in the Satellites by insisting on precautionary police measures and the suppression of anti-Soviet ferment. These closer controls will probably be accompanied by ameliorating measures such as Soviet help in meeting food shortages, moratoria on collectivization, and relief from some other economic pressures. East Germany will be watched with particular vigilance.

15. If confronted by strong nationalist pressures in the other Satellites, the USSR will probably attempt to establish Communist regimes which possess a larger measure of internal autonomy but which maintain military and foreign policy solidarity with the USSR.

Military Implications

16. We believe the Soviet leaders estimate that the minimum military requirements for their national security include the maintenance of effective early warning capabilities on the Satellite borders, of powerful Soviet forces in East Germany, and of secure lines of communication from the USSR to East Germany. The developments in Poland and Hungary will probably result in a substantial downward revision in the Soviet estimate of the reliability of most of the Satellite armed forces.[1] We believe these circumstances will dictate a keen Soviet desire to retain its own military forces in the other Satellites in which they are now stationed, especially in Poland. For the immediate future, the possibility of new Satellite rebellions will reinforce this desire. Therefore, the Soviet leaders will almost certainly retain the Warsaw Pact organization in order to preserve the rights which they enjoy under it.

17. It seems unlikely that US action short of overt military intervention or obvious preparation for such intervention would lead the USSR deliberately to take steps which it believed would materially increase the risk of general war. The Soviet leaders probably recognize that the US nuclear-air capability remains superior to that of the USSR, and have probably concluded that at present the USSR, even if it launched a surprise attack, would receive unacceptable damage in a nuclear exchange with the US.

18. Soviet suspicions of US policy and present circumstances which involve Soviet troop movements and alerts probably increase the likelihood of a series of actions and counteractions leading inadvertently to war. Such a series of actions could most readily originate with respect to East Germany.

[1] See Annex.

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ANNEX

Satellite forces	Line divisions	Jet fighters	Jet light bombers	Ground attack aircraft
Albania	0 (7 brigades)	40	0	0
Bulgaria	12	225	5	100 (piston)
Czechoslovakia	16 (incl. 2 tank, 3 mech.)	505	40	250 (piston)
Hungary	10 (incl. 1 tank, 1 mech.)	220	20	115 (piston)
Poland	18 (incl. 6 mech.)	490	80	275 (piston)
Rumania	14 (incl. 1 tank, 1 mech.)	240	35	126 (piston)
East Germany	7 (incl. 3 mech.)	40	0	0
	77	1,760	180	866
Soviet forces in East Europe				
East Germany	22 (incl. 8 tank, 10 mech.)	500 25 (recon)	78 21 (recon)	0
Poland	2 (1 tank, 1 mech.)	234	78 21 (recon)	114 (jet)
Hungary	2 (mech.)	212	78	0
Rumania	2 (mech.)	128	0	0
	28	1,099	276	114

	Destroyers	Submarines	Mine warfare and patrol vessels
Albania	0	0	17
Bulgaria	1	3	46
Poland	2	9	44
Rumania	4	3	16
East Germany	0	0	49
Soviet naval forces in East Europe (Not including Baltic and Black Sea Fleets)			
East Germany	0	0	38
Poland	0	0	30

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